



House of Representatives

General Assembly

File No. 217

January Session, 2015

House Bill No. 5356

House of Representatives, March 26, 2015

The Committee on Housing reported through REP. BUTLER of the 72nd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE RELOCATION OF DISPLACED TENANTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 8-268 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2015*):

3 (a) Whenever a program or project undertaken by a state agency or
4 under the supervision of a state agency will result in the displacement
5 of any person on or after July 6, 1971, the head of such state agency
6 shall make payment to any displaced person, upon proper application
7 as approved by such agency head, for (1) actual reasonable expenses in
8 moving himself, his family, business, farm operation or other personal
9 property, (2) actual direct losses of tangible personal property as a
10 result of moving or discontinuing a business or farm operation, but not
11 to exceed an amount equal to the reasonable expenses that would have
12 been required to relocate such property, as determined by the state
13 agency, and (3) actual reasonable expenses in searching for a
14 replacement business or farm. [provided,]

15 (b) Except as provided in subsection (c) of this section, whenever
16 any tenant in any dwelling unit is displaced as the result of the
17 enforcement of any code to which this section is applicable by any
18 town, city or borough or agency thereof, the landlord of such dwelling
19 unit shall be liable for any payments made by such town, city or
20 borough pursuant to this section or by the state pursuant to subsection
21 (b) of section 8-280, and the town, city or borough or the state may
22 place a lien on any real property owned by such landlord to secure
23 repayment to the town, city or borough or the state of such payments,
24 which lien shall have the same priority as and shall be filed, enforced
25 and discharged in the same manner as a lien for municipal taxes under
26 chapter 205.

27 (c) The landlord of any dwelling unit shall not be liable pursuant to
28 subsection (b) of this section for any payments made by such town,
29 city or borough if any tenant in any such dwelling unit is displaced as
30 a result of: (1) The tenant, guest or invitee of the tenant having caused
31 or substantially contributed to the condition giving rise to the code
32 violation, or (2) any negligent act of the tenant, guest or invitee of the
33 tenant.

34 ~~[(b)]~~ (d) Any displaced person eligible for payments under
35 subsection (a) of this section who is displaced from a dwelling and
36 who elects to accept the payments authorized by this subsection in lieu
37 of the payments authorized by subsection (a) of this section may
38 receive a moving expense allowance, determined according to a
39 schedule established by the state agency, not to exceed three hundred
40 dollars and a dislocation allowance of two hundred dollars.

41 ~~[(c)]~~ (e) Any displaced person eligible for payments under
42 subsection (a) of this section who is displaced from the person's place
43 of business or from the person's farm operation and who elects to
44 accept the payment authorized by this subsection in lieu of the
45 payment authorized by subsection (a) of this section, may receive a
46 fixed payment in an amount equal to the average annual net earnings
47 of the business or farm operation, except that such payment shall not

48 be less than two thousand five hundred dollars nor more than ten
49 thousand dollars. In the case of a business no payment shall be made
50 under this subsection unless the state agency is satisfied that the
51 business (1) cannot be relocated without a substantial loss of its
52 existing patronage, and (2) is not a part of a commercial enterprise
53 having at least one other establishment not being acquired by the state,
54 which is engaged in the same or similar business. For purposes of this
55 subsection, "average annual net earnings" means one half of any net
56 earnings of the business or farm operation, before federal, state and
57 local income taxes, during the two taxable years immediately
58 preceding the taxable year in which such business or farm operation
59 moves from the real property acquired for such project, or during such
60 other period as such agency determines to be more equitable for
61 establishing such earnings, and includes any compensation paid by the
62 business or farm operation to the owner, the owner's spouse or the
63 owner's dependents during such period.

64 [(d)] (f) Notwithstanding the provisions of this section, in the case of
65 displacement of a person on or after October 1, 2007, because of
66 acquisition of real property by a redevelopment agency pursuant to
67 section 8-128, a development agency pursuant to section 8-193, or an
68 implementing agency pursuant to section 32-224, pursuant to a
69 redevelopment plan approved under chapter 130 or a development
70 plan approved under chapter 132 or 588l, the agency shall make
71 relocation payments as provided under the federal Uniform Relocation
72 Assistance and Real Property Acquisition Policies Act of 1970, 42 USC
73 4601 et seq. and any subsequent amendments thereto and regulations
74 promulgated thereunder if payments under said act and regulations
75 would be greater than payments under this section and sections 8-269
76 and 8-270, as amended by this act.

77 Sec. 2. Section 8-270 of the general statutes is repealed and the
78 following is substituted in lieu thereof (*Effective October 1, 2015*):

79 (a) In addition to amounts otherwise authorized by this chapter, a
80 state agency shall make a payment to or for any displaced person

81 displaced from any dwelling not eligible to receive a payment under
82 section 8-269, which dwelling was actually and lawfully occupied by
83 such displaced person for not less than ninety days prior to the
84 initiation of negotiations for acquisition of such dwelling under the
85 program or project which results in such person being displaced. Such
86 payment shall be either (1) the amount necessary to enable such
87 displaced person to lease or rent for a period not to exceed four years,
88 a decent, safe, and sanitary dwelling of standards adequate to
89 accommodate such person in areas not generally less desirable with
90 regard to public utilities and public and commercial facilities, and
91 reasonably accessible to such displaced person's place of employment,
92 but not to exceed four thousand dollars, or (2) the amount necessary to
93 enable such displaced person to make a down payment, including
94 reasonable expenses incurred by such displaced person for evidence of
95 title, recording fees, and other closing costs incident to the purchase of
96 a decent, safe, and sanitary dwelling of standards adequate to
97 accommodate such person in areas not generally less desirable with
98 regard to public utilities and public and commercial facilities, but not
99 to exceed four thousand dollars, except that if such amount exceeds
100 two thousand dollars, such person must equally match any such
101 amount in excess of two thousand dollars in making the
102 downpayment. [, and provided,]

103 (b) Except as provided in subsection (c) of this section, whenever
104 any tenant in any dwelling unit is displaced as the result of the
105 enforcement of any code to which this section is applicable by any
106 town, city or borough or agency thereof, the landlord of such dwelling
107 unit shall be liable for any payments made by such town, city or
108 borough pursuant to this section or by the state pursuant to subsection
109 (b) of section 8-280, and the town, city or borough or the state may
110 place a lien on any real property owned by such landlord to secure
111 repayment to the town, city or borough or the state of such payments,
112 which lien shall have the same priority as and shall be filed, enforced
113 and discharged in the same manner as a lien for municipal taxes under
114 chapter 205.

115 (c) The landlord of any dwelling unit shall not be liable pursuant to
116 subsection (b) of this section for any payments made by such town,
117 city or borough if any tenant in any such dwelling unit is displaced as
118 a result of: (1) The tenant, guest or invitee of the tenant having caused
119 or substantially contributed to the condition giving rise to the code
120 violation, or (2) any negligent act of the tenant, guest or invitee of the
121 tenant.

122 [(b)] (d) Notwithstanding the provisions of this section, in the case
123 of displacement of a person on or after October 1, 2007, because of
124 acquisition of real property by a redevelopment agency pursuant to
125 section 8-128, a development agency pursuant to section 8-193, or an
126 implementing agency pursuant to section 32-224, pursuant to a
127 redevelopment plan approved under chapter 130 or a development
128 plan approved under chapter 132 or 588*l*, the agency shall make
129 relocation payments as provided under the federal Uniform Relocation
130 Assistance and Real Property Acquisition Policies Act of 1970, 42 USC
131 4601 et seq. and any subsequent amendments thereto and regulations
132 promulgated thereunder if payments under said act and regulations
133 would be greater than payments under this section and sections 8-268,
134 as amended by this act, and 8-269.

135 Sec. 3. Subdivision (3) of section 8-267 of the general statutes is
136 repealed and the following is substituted in lieu thereof (*Effective*
137 *October 1, 2015*):

138 (3) "Displaced person" means (A) any person who, on or after July 6,
139 1971, moves from real property, or moves his or her personal property
140 from real property, as a result of the acquisition of such real property,
141 in whole or in part, or as the result of the written order of the acquiring
142 agency to vacate real property, for a program or project undertaken by
143 or supervised by a state agency or unit of local government and solely
144 for the purposes of subsections (a) and [(b)] (d) of section 8-268, as
145 amended by this act, and section 8-271 as a result of the acquisition of
146 or as a result of the written order of the acquiring agency to vacate
147 other real property, on which such person conducts a business or farm

148 operation, for such program or project; or (B) any person who so
149 moves as the direct result of code enforcement activities or a program
150 of rehabilitation of buildings pursuant to such governmental program
151 or under such governmental supervision, except a business which
152 moves from real property or which moves its personal property from
153 real property acquired by a state agency when such move occurs at the
154 end of a lease term or as a result of eviction for nonpayment of rent,
155 provided the state agency acquired the property at least ten years
156 before the move;

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015</i>	8-268
Sec. 2	<i>October 1, 2015</i>	8-270
Sec. 3	<i>October 1, 2015</i>	8-267(3)

HSG *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 16 \$	FY 17 \$
Various Municipalities	STATE MANDATE - Potential Cost	Minimal	Minimal

Explanation

The bill may result in a municipal cost by prohibiting municipalities from recouping expenses from certain tenant displacements.

Under current law, municipalities may recoup expenses in the event that a tenant is displaced due to a code violation. The bill exempts landlords for the liability of relocation expenses when a code violation occurs due to tenant negligence.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**HB 5356*****AN ACT CONCERNING THE RELOCATION OF DISPLACED TENANTS.*****SUMMARY:**

The Uniform Relocation Assistance Act (URAA) requires municipalities to pay relocation assistance benefits when they displace people from their homes. Under current law, a residential landlord is generally liable to the municipality for any relocation assistance payments it makes when the landlord's tenant is displaced as a result of code enforcement. This bill prohibits municipalities from recouping these expenses from a landlord if a tenant is displaced as a result of (1) a code violation caused, or substantially caused, by the tenant or his or her guest or invitee or (2) the negligent act of the tenant or his or her guest or invitee.

EFFECTIVE DATE: October 1, 2015

BACKGROUND***URAA Benefits***

The URAA establishes uniform policies for people displaced from their dwellings or businesses by state or local activities and actions. People displaced from a dwelling must be compensated for (1) reasonable moving expenses and (2) direct losses of tangible personal property as a result of moving (CGS § 8-268). If a tenant is displaced from a dwelling he or she occupied for at least 90 days, the municipality must additionally provide up to \$4,000 to the tenant for (1) increased rent costs or (2) a down payment on a replacement dwelling (CGS § 8-270).

Landlord's Affirmative Defense

The law gives landlords an affirmative defense against municipal

recoupment of relocation assistance expenses. To use the defense, landlords must show that displacement was not caused by their failure to comply with their statutory duties under CGS § 47a-7, including the requirements that they, among other things, (1) maintain electrical, plumbing, heating, and other facilities in good and safe working order and (2) make all repairs and keep the premises in a fit and habitable condition (CGS § 8-270a).

COMMITTEE ACTION

Housing Committee

Joint Favorable

Yea 13 Nay 0 (03/11/2015)